

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS, DALLAS DIVISION**

KELLY CRAWFORD, IN HIS CAPACITY
AS RECEIVER,

Plaintiff

v.

DAVID BLEEDEN, *et al.*,

Defendants

§
§
§
§
§
§
§
§
§
§

Civil Action No.: 3:21-cv-02181-X

DEFENDANTS' ANSWER TO RECEIVER'S FIRST AMENDED COMPLAINT

Defendants JOSHUA FERDMAN and FERDMAN GROUP, INC. (collectively, "Defendants") file this Answer to the First Amended Complaint of Receiver Kelly Crawford ("First Amended Complaint"). Defendants deny all allegations made in the First Amended Complaint, whether express or implied, that are not specifically admitted below.

I.

SUMMARY

1. In response to Paragraph 1 of the First Amended Complaint, Defendants admit that they received commissions and sales prizes transferred to them by the Receivership Entities, in exchange for their sale of precious metals and coins. Defendants deny the remaining allegations in Paragraph 1 insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in

Paragraph 1 of the First Amended Complaint.

II.

RECEIVERSHIP

2. In response to Paragraph 2 of the First Amended Complaint, Defendants admit that this Court entered the order attached as Exhibit A to the First Amended Complaint (the "Receivership Order"). As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 2 of the First Amended Complaint.

3. In response to Paragraph 3 of the First Amended Complaint, Defendants admit the allegations therein.

4. In response to Paragraph 4 of the First Amended Complaint, Defendants admit that the quoted language exists in the Receivership Order. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 4 of the First Amended Complaint.

5. In response to Paragraph 5 of the First Amended Complaint sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 5 of the First Amended Complaint.

6. In response to Paragraph 6 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 6 of the First Amended Complaint.

III.

PARTIES

7. In response to Paragraph 7 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 7 of the First Amended Complaint.

8. In response to Paragraph 8 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 8 of the First Amended Complaint.

9. In response to Paragraph 9 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 9 of the First Amended Complaint.

10. In response to Paragraph 10 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 10 of the First Amended Complaint.

11. In response to Paragraph 11 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 11 of the First Amended Complaint.

12. In response to Paragraph 12 of the First Amended Complaint, Defendants lack

sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 12 of the First Amended Complaint.

13. In response to Paragraph 13 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 13 of the First Amended Complaint.

14. In response to Paragraph 14 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 14 of the First Amended Complaint.

15. In response to Paragraph 15 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 15 of the First Amended Complaint.

16. In response to Paragraph 16 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 16 of the First Amended Complaint.

17. In response to Paragraph 17 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 17 of the First Amended Complaint.

18. In response to Paragraph 18 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 18 of the First Amended Complaint.

19. In response to Paragraph 19 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 19 of the First Amended Complaint.

20. In response to Paragraph 20 of the First Amended Complaint, Defendants admits that POOR TRAP is a corporation organized under the laws of California, with its principal office located at 2718 Wilshire Drive, Los Angeles, California 90068, and denies the remaining allegations.

21. In response to Paragraph 21 of the First Amended Complaint, Defendants admits that DEEP STATE is a corporation organized under the laws of California, with its principal office located at 621 North Curson Avenue, Los Angeles, California 90036, and denies the remaining allegations.

22. In response to Paragraph 22 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 22 of the First Amended Complaint.

23. In response to Paragraph 23 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 23 of the First Amended

Complaint.

24. In response to Paragraph 24 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 24 of the First Amended Complaint.

25. In response to Paragraph 25 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 25 of the First Amended Complaint.

26. In response to Paragraph 26 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 26 of the First Amended Complaint.

27. In response to Paragraph 27 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 27 of the First Amended Complaint.

28. In response to Paragraph 28 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 28 of the First Amended Complaint.

29. In response to Paragraph 29 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth

therein, and on that basis deny each and every allegation in Paragraph 29 of the First Amended Complaint.

30. In response to Paragraph 30 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 30 of the First Amended Complaint.

31. In response to Paragraph 31 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 31 of the First Amended Complaint.

32. In response to Paragraph 32 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 32 of the First Amended Complaint.

33. In response to Paragraph 33 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 33 of the First Amended Complaint.

34. In response to Paragraph 34 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 34 of the First Amended Complaint.

35. In response to Paragraph 35 of the First Amended Complaint, Defendants lack

sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 35 of the First Amended Complaint.

36. In response to Paragraph 36 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 36 of the First Amended Complaint.

37. In response to Paragraph 37 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 37 of the First Amended Complaint.

38. In response to Paragraph 38 of the First Amended Complaint, Defendants admit the allegations therein.

39. In response to Paragraph 39 of the First Amended Complaint, Defendants admit the allegations therein.

40. In response to Paragraph 40 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 40 of the First Amended Complaint.

41. In response to Paragraph 41 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 41 of the First Amended Complaint.

42. In response to Paragraph 42 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 42 of the First Amended Complaint.

43. In response to Paragraph 43 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 43 of the First Amended Complaint.

44. In response to Paragraph 44 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 44 of the First Amended Complaint.

45. In response to Paragraph 45 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 45 of the First Amended Complaint.

46. In response to Paragraph 46 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 46 of the First Amended Complaint.

IV.

JURISDICTION

47. In response to Paragraph 47 of the First Amended Complaint, Defendants assert

that it contains no factual allegations, but instead asserts legal conclusions. To the extent a response is required, Defendants lack sufficient knowledge or information to form a belief as to the truth of the factual allegations set forth therein, and on that basis deny each and every factual allegation in Paragraph 47 of the First Amended Complaint.

48. In response to Paragraph 48 of the First Amended Complaint, Defendants assert that it contains no factual allegations, but instead asserts legal conclusions. To the extent a response is required, Defendants lack sufficient knowledge or information to form a belief as to the truth of the factual allegations set forth therein, and on that basis deny each and every factual allegation in Paragraph 48 of the First Amended Complaint.

V.

VENUE

49. In response to Paragraph 49 of the First Amended Complaint, Defendants assert that it contains no factual allegations, but instead asserts legal conclusions. To the extent a response is required, Defendants lack sufficient knowledge or information to form a belief as to the truth of the factual allegations set forth therein, and on that basis deny each and every factual allegation in Paragraph 49 of the First Amended Complaint.

VI.

FACTUAL BACKGROUND

50. In response to Paragraph 50 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 50 of the First Amended Complaint. With respect to Footnote 2, Defendants admit

that the . Complaint filed in the Underlying Action is attached to this First Amended Complaint; as to the remaining allegations in Footnote 2, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Footnote 2 of the First Amended Complaint.

51. In response to Paragraph 51 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 51 of the First Amended Complaint.

52. In response to Paragraph 52 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 52 of the First Amended Complaint.

53. In response to Paragraph 53 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 53 of the First Amended Complaint.

54. In response to Paragraph 54 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 54 of the First Amended Complaint.

55. In response to Paragraph 55 of the First Amended Complaint, Defendants deny

the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 55 of the First Amended Complaint.

56. In response to Paragraph 56 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 56 of the First Amended Complaint.

57. In response to Paragraph 57 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 57 of the First Amended Complaint.

58. In response to Paragraph 58 of the First Amended Complaint, Defendants admit that they called potential customers, and deny any other allegations therein that pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 58 of the First Amended Complaint.

59. In response to Paragraph 59 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth

of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 59 of the First Amended Complaint.

60. In response to Paragraph 60 of the First Amended Complaint, Defendants admit that customers were informed that they could open self-directed retirement accounts ("SDIRAs") for purposes of purchasing precious metals. Defendants deny any other allegations therein that pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 60 of the First Amended Complaint.

61. In response to Paragraph 61 of the First Amended Complaint, Defendants admit that customers opened SDIRAs and made transfers, and deny any other allegations therein that pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 61 of the First Amended Complaint.

62. In response to Paragraph 62 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 62 of the First Amended Complaint.

63. In response to Paragraph 63 of the First Amended Complaint, Defendants admit that some customers purchased precious metals through check or wire, and Defendants deny any other allegations therein that pertain specifically to Defendants. As to the remaining allegations,

Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 63 of the First Amended Complaint.

64. In response to Paragraph 64 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 64 of the First Amended Complaint. With respect to Footnote 4, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Footnote 4 of the First Amended Complaint.

65. In response to Paragraph 65 of the First Amended Complaint, Defendants admit that they sold the precious Metals Bullion listed in Paragraph 70(a)-(d) to customers, and Defendants deny any other allegations therein that pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 65 of the First Amended Complaint.

66. In response to Paragraph 66 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 66 of the First Amended Complaint.

67. In response to Paragraph 67 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining

allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 67 of the First Amended Complaint.

68. In response to Paragraph 68 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 68 of the First Amended Complaint.

69. In response to Paragraph 69 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 69 of the First Amended Complaint.

70. In response to Paragraph 70 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 70 of the First Amended Complaint.

71. In response to Paragraph 71 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 71 of the First Amended Complaint.

72. In response to Paragraph 72 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining

allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 72 of the First Amended Complaint.

73. In response to Paragraph 73 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 73 of the First Amended Complaint.

74. In response to Paragraph 74 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 74 of the First Amended Complaint.

75. In response to Paragraph 75 of the First Amended Complaint, Defendants admit that the quoted language exists on a customer form. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 75 of the First Amended Complaint.

76. In response to Paragraph 76 of the First Amended Complaint, Defendants admit the allegations therein.

77. In response to Paragraph 77 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 77 of the First Amended

Complaint.

78. In response to Paragraph 78 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 78 of the First Amended Complaint.

79. In response to Paragraph 79 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 79 of the First Amended Complaint.

80. In response to Paragraph 80 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 80 of the First Amended Complaint.

81. In response to Paragraph 81 of the First Amended Complaint, Defendants admit that numismatic bullion and semi-numismatic bullion are terms used to describe precious metal coins. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 81 of the First Amended Complaint.

82. In response to Paragraph 82 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth

of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 82 of the First Amended Complaint.

83. In response to Paragraph 83 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 83 of the First Amended Complaint.

84. In response to Paragraph 84 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 84 of the First Amended Complaint.

85. In response to Paragraph 85 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 85 of the First Amended Complaint.

86. In response to Paragraph 86 of the First Amended Complaint, Defendants admit that customers were told that the valuation on their SDIRA statements did not reflect the true resale value of their precious metal coins. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 86 of the First Amended Complaint.

87. In response to Paragraph 87 of the First Amended Complaint, Defendants deny

the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 87 of the First Amended Complaint.

88. In response to Paragraph 88 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 88 of the First Amended Complaint.

89. In response to Paragraph 89 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 89 of the First Amended Complaint.

90. In response to Paragraph 90 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 90 of the First Amended Complaint.

91. In response to Paragraph 91 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 91 of the First Amended Complaint.

92. In response to Paragraph 92 of the First Amended Complaint, Defendants admit that Defendants worked with Barrick Capital and Metals.com to sell metals to customers. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 92 of the First Amended Complaint.

93. In response to Paragraph 93 of the First Amended Complaint, Defendants admit that Defendants worked with Barrick Capital to sell metals to customers. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 93 of the First Amended Complaint.

94. In response to Paragraph 94 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 94 of the First Amended Complaint.

95. In response to Paragraph 95 of the First Amended Complaint, Defendants admit that Defendants were paid commissions, and deny any other allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 95 of the First Amended Complaint.

96. In response to Paragraph 96 of the First Amended Complaint, Defendants admit that Defendants were paid commissions listed on Exhibit C to the First Amended Complaint. As

to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 96 of the First Amended Complaint.

97. In response to Paragraph 97 of the First Amended Complaint, Defendants admit that Defendants were paid commissions listed on Exhibit C to the First Amended Complaint. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 97 of the First Amended Complaint.

98. In response to Paragraph 98 of the First Amended Complaint, Defendants admits that NED was given use of an exotic automobile as a sales prize and that sales prizes were given to some others as well. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 98 of the First Amended Complaint.

99. In response to Paragraph 99 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 99 of the First Amended Complaint.

100. In response to Paragraph 100 of the First Amended Complaint, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every allegation in Paragraph 100 of the First Amended Complaint.

101. In response to Paragraph 101 of the First Amended Complaint, Defendants admit that FERDMAN CORP, INC. received commissions, and was owned and controlled by

JOSHUA FERDMAN, and deny the remaining allegations in Paragraph 101(n). As to the remaining allegations in Paragraph 101, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 101 of the First Amended Complaint.

CAUSES OF ACTION

COUNT 1: VOIDABLE/FRAUDULENT TRANSFER- ACTUAL FRAUD

102. In response to Paragraph 102, Defendants reallege and incorporate by reference their responses to Paragraphs 1 through 101.

103. In response to Paragraph 103 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 103 of the First Amended Complaint.

104. In response to Paragraph 104 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 104 of the First Amended Complaint.

105. In response to Paragraph 105 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 104 of the First Amended Complaint.

106. In response to Paragraph 106 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 106 of the First Amended Complaint.

107. In response to Paragraph 107 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 107 of the First Amended Complaint.

108. In response to Paragraph 108 of the First Amended Complaint, Defendants assert that it contains no factual allegations, but instead asserts Plaintiff's request for relief. To the extent a response is required, Defendants lack sufficient knowledge or information to form a belief as to the truth of the factual allegations set forth therein, and on that basis deny each and every factual allegation in Paragraph 108 of the First Amended Complaint.

COUNT 2: VOIDABLE/FRAUDULENT TRANSFER- CONSTRUCTIVE FRAUD

109. In response to Paragraph 109, Defendants reallege and incorporate by reference their responses to Paragraphs 1 through 108.

110. In response to Paragraph 110 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 110 of the First Amended Complaint.

111. In response to Paragraph 111 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 111 of the First Amended Complaint.

112. In response to Paragraph 112 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 112 of the First Amended Complaint.

113. In response to Paragraph 113 of the First Amended Complaint, Defendants assert that it contains no factual allegations, but instead asserts Plaintiff's request for relief. To the extent a response is required, Defendants lack sufficient knowledge or information to form a belief as to the truth of the factual allegations set forth therein, and on that basis deny each and every factual allegation in Paragraph 113 of the First Amended Complaint.

COUNT 3: UNJUST ENRICHMENT - CONSTRUCTIVE TRUST

114. In response to Paragraph 114, Defendants reallege and incorporate by reference their responses to Paragraphs 1 through 113.

115. In response to Paragraph 115 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 115 of the First Amended Complaint.

116. In response to Paragraph 116 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 116 of the First Amended Complaint.

117. In response to Paragraph 117 of the First Amended Complaint, Defendants assert that it contains no factual allegations, but instead asserts Plaintiff's request for relief. To the extent a response is required, Defendants lack sufficient knowledge or information to form a belief as to the truth of the factual allegations set forth therein, and on that basis deny each and every factual allegation in Paragraph 117 of the First Amended Complaint.

COUNT 4: MONEY HAD AND RECEIVED

118. In response to Paragraph 118, Defendants reallege and incorporate by reference their responses to Paragraphs 1 through 117.

119. In response to Paragraph 119 of the First Amended Complaint, Defendants deny the allegations therein insofar as they pertain specifically to Defendants. As to the remaining allegations, Defendants lack sufficient knowledge or information to form a belief as to the truth of the allegations set forth therein, and on that basis deny each and every remaining allegation in Paragraph 119 of the First Amended Complaint.

120. In response to Paragraph 120 of the First Amended Complaint, Defendants assert that it contains no factual allegations, but instead asserts Plaintiff's request for relief. To the extent a response is required, Defendants lack sufficient knowledge or information to form a belief as to the truth of the factual allegations set forth therein, and on that basis deny each and every factual allegation in Paragraph 120 of the First Amended Complaint.

COUNT 5: ATTORNEY'S FEES

121. In response to Paragraph 121 of the First Amended Complaint, Defendants assert that it contains no factual allegations, but instead asserts Plaintiff's request for relief. To the extent a response is required, Defendants lack sufficient knowledge or information to form a belief as to the truth of the factual allegations set forth therein, and on that basis deny each and every factual allegation in Paragraph 121 of the First Amended Complaint.

AFFIRMATIVE DEFENSES

For their affirmative defenses, Defendants allege as follows:

FIRST AFFIRMATIVE DEFENSE

(Failure to State a Claim)

1. Defendants allege that Plaintiff's First Amended Complaint, and each and every count alleged therein, fails to state facts sufficient to constitute a claim for relief against Defendants.

SECOND AFFIRMATIVE DEFENSE

(Waiver, Estoppel, Unclean Hands, and/or Laches)

2. Defendants allege that Plaintiff's First Amended Complaint, and each and every count alleged therein, is barred, in whole or in part, by the equitable doctrines of waiver, estoppel, unclean hands and/or laches.

THIRD AFFIRMATIVE DEFENSE

(Statute of Limitations)

3. Defendants allege that Plaintiff's First Amended Complaint, and each and every count alleged therein, is barred, in whole or in part, by the applicable statute(s) of limitations.

FOURTH AFFIRMATIVE DEFENSE

(Standing)

4. Defendants allege that Plaintiff's First Amended Complaint, and each and every count alleged therein, is barred, in whole or in part, because Plaintiff lacks standing to assert the counts, and each of them, alleged in the First Amended Complaint.

FIFTH AFFIRMATIVE DEFENSE

(Good Faith)

5. Defendants allege that any and all alleged transfers of funds to Defendants were received in good faith, without actual fraudulent intent, and in exchange for reasonably equivalent value.

SIXTH AFFIRMATIVE DEFENSE

(Lack of Proximate Cause)

6. Defendants allege that Plaintiff's First Amended Complaint, and each and every count alleged therein, is barred, in whole or in part, to the extent that the alleged conduct of the Defendants, and each of them, was not the proximate cause of any alleged damages in Plaintiff's First Amended Complaint, and/or any damages whatsoever.

SEVENTH AFFIRMATIVE DEFENSE

(Independent and Superseding Cause)

7. Defendants allege that Plaintiff's First Amended Complaint, and each and every count alleged therein, is barred, in whole or in part, because any damages alleged in Plaintiff's First Amended Complaint were the direct and proximate result of the independent, superseding negligence or intentional conduct of person(s) and/or an entity and/or entities other than the Defendants, and each of them.

EIGHTH AFFIRMATIVE DEFENSE

(Lack of Cause in Fact)

8. Defendants allege that Plaintiff's First Amended Complaint, and each and every count alleged therein, is barred, in whole or in part, because to the extent that the purported conduct of the Defendants, and each of them, were not the cause in fact of any damages alleged in Plaintiff's First Amended Complaint, and/or any damage whatsoever.

NINTH AFFIRMATIVE DEFENSE

(Third Party Fault)

9. Without in any way admitting that Plaintiff is entitled to damages in any way, to the extent the purported damages were proximately caused or contributed to by the acts or omissions of other persons and entities, such acts or omissions were intervening and/or superseding cause(s) of any alleged damages, thus barring their recovery or reducing their recovery against Defendants.

TENTH AFFIRMATIVE DEFENSE

(Apportionment)

10. Defendants, and each of them, allege that they are not liable to Plaintiff, nor are Defendants, and each of them, legally responsible for any damages alleged in Plaintiff's First Amended Complaint, and/or any damage whatsoever. If, however, Defendants, or any one or more of them, were to be found to be legally responsible for any damages whatsoever, (and any such finding would be incorrect), Defendants, and each of them, would not be the sole and proximate cause of any such damages; rather, any such damages would also be the result of the acts and/or omissions of other persons or entities. As a result, any damages awarded would have to be apportioned among the responsible persons and/or entities in accordance with their

respective degrees of fault and legal responsibility according to proof at trial.

ELEVENTH AFFIRMATIVE DEFENSE

(Off-set)

11. Defendants, and each of them, allege that they are not liable to Plaintiff, nor are Defendants, and each of them, legally responsible for any damages alleged in Plaintiff's First Amended Complaint, and/or any damage whatsoever. If, however, Defendants, or any one or more of them, were to be found to be legally responsible for any damages whatsoever, (and any such finding would be incorrect), any recovery must be offset by any benefits or other value Plaintiff an/or creditors received from Defendants.

TWELFTH AFFIRMATIVE DEFENSE

(No Damages)

12. Defendants allege that Plaintiff's First Amended Complaint, and each and every count alleged therein, is barred, in whole or in part, because any creditors alleged in Plaintiff's First Amended Complaint suffered no legally cognizable damages as a result of any act and/or omission by the Defendants, and each of them, or at all, and/or any damages alleged by Plaintiff are too speculative.

THIRTEENTH AFFIRMATIVE DEFENSE

(No Attorneys' Fees or Costs)

13. Even assuming Plaintiff is entitled to relief under the First Amended Complaint, which Defendants deny, Plaintiff is not entitled by law to an award of attorney's fees and/or costs of suit.

FOURTEENTH AFFIRMATIVE DEFENSE

(Justification)

14. Defendants allege that Plaintiff's First Amended Complaint, and each and every count alleged therein, is barred, in whole or in part, by the doctrine of justification.

FIFTEENTH AFFIRMATIVE DEFENSE

(Failure to Mitigate)

15. Without in any way admitting to any of the damages alleged in Plaintiff's First Amended Complaint, to the extent creditors failed to mitigate their purported damages, Plaintiff is precluded from making or pursuing its claims.

SIXTEENTH AFFIRMATIVE DEFENSE

16. Defendants reserve the right to file an amended Answer asserting additional affirmative defenses in the event that discovery indicates that such defenses are appropriate.

PRAYER FOR RELIEF

WHEREFORE, Defendants pray as follows:

1. That Plaintiff's First Amended Complaint be dismissed with prejudice, in its entirety, and judgment be entered in favor of Defendants on all claims;
2. That Plaintiff takes nothing by way of its First Amended Complaint;
3. That Defendants recover their costs of suit incurred herein, including reasonable attorney's fees to the extent permitted by law; and
4. For such other and further relief as the Court deems just and proper.

DEMAND FOR JURY TRIAL

Defendants, and each of them, hereby demand a jury trial on all matters and issues so triable.

DATED: August 18, 2023

Respectfully submitted

/s/ Paul A. Rigali

Paul A. Rigali (*pro hac vice* forthcoming)

prigali@larsonllp.com

LARSON LLP

555 South Flower Street, Suite 4400

Los Angeles, California 90071

Tel: (213) 436-4888;

Fax: (213) 623-2000

AND

Daniel K. Hagood

State Bar No. 08698300

dhagood@hagoodhunt.com

DANIEL K. HAGOOD P.C.

3710 Rawlins Street, Suite 1600

Dallas, Texas 75219

Tel: (214)-720-4040

Fax: 214-237-0905

Attorneys for Defendants JOSHUA FERMAN
and FERDMAN GROUP, INC.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on August 18, 2023, I electronically filed the foregoing document with the clerk of court for the U.S. District Court, Northern District of Texas, using the electronic case filing system, which sent a “Notice of Electronic Filing” to all attorneys of record, in accordance with the Federal Rules of Civil Procedure.

/s/ Paul A. Rigali

Paul A. Rigali